

Peru's largest produce company Camposol has recorded an 8.1% year-on-year sales rise for the first quarter, on the back of higher fresh mango volumes and better fresh white asparagus prices.

The business actually recorded a loss of US\$4.5 million for the period but EBITDA was actually up by 11% to US\$4 million.


Photo: Camposol

The average mango price per kilogram was actually slightly down by 3%, but extra volume from third parties helped push up the tonnage by 11.9%.

This tropical fruit yielded the second-largest gross margin at 24.3% while for asparagus it stood at 40.3%, raising profitability during a time when the company actually sold fewer spears year-on-year but traded them directly through its European office.

The results are not indicative for the full year as Camposol's largest investments have been in grapes and avocados, which are harvested at different times of the year outside the first quarter. For avocados, the business sold less frozen product year-on-year but with a 16.7% improvement in price.

Camposol's preserved piquillo peppers registered a slight drop in both volume and average price.

Investment plan and outlook

The company had investments of US\$4.1 million during the first quarter, of which just over three quarters were spent on maintaining newly planted areas, mostly for blueberries and avocados.

Camposol said US\$700,000 was invested in the planting of current and new products, while US\$200,000 was spent on equipment and infrastructure to improve fields and packing facilities.

By the end of the quarter the company had a cash balance of US\$23 million.

In a presentation the company said it was ideally positioned to capture growth opportunities in the U.S. avocado market, while harvested volumes in 2013 would likely be 50% higher year-on-year at around 23,000 metric tons (MT).

It also expected to continue to be the world's top exporter of asparagus; a product that is

increasingly popular in the U.S.

Camposol also highlighted Peru's strong competitive advantage in grapes due to high yields as well.

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